

DPW
Ms. Anderson (287-4058)
7 February 2005

IMSW-HOD-PWH

SUBJECT: Purchasing a Home Fact Sheet

PURPOSE: To provide information and guidance to all incoming soldiers on the basic principle of purchasing a home.

FACTS:

1. Once you have decided to purchase a new home, determine your needs based on family size, affordability, area of town, the importance of such things as yard, garage and distance from work and schools etc. Shop around by either driving through neighborhoods or looking in the newspaper. If you are considering acquiring a previously owned home, the Veterans Administration (VA) publishes a list of available properties each Tuesday in the Killeen and Temple Newspaper. Everyone is eligible to buy VA properties. Most of those properties qualify for 100% financing at competitive interest rates for a 30 year term.
2. When selecting a Realtor be sure that you only deal with one who is licensed by the Texas Real Estate Commission. Get answers to all your questions and let your Realtor know your needs and desires.
3. A good guideline of how much you can afford to pay is to not exceed 29% of your household gross monthly income. Include monthly payments for insurance and taxes in your planning. Find out how much down payment and closing costs may be required.
4. The following documents and information are needed for processing a loan application:
 - Copies of Tax Returns and W2's for the last 2 years
 - Employment history on all borrowers
 - Checking and Savings Account information
 - Social Security number for each borrower
 - Complete information on all installment debts and credit cards, i.e. account numbers balance of monthly payments, value of automobiles, boats, furniture and details on such assets as stocks, bonds and life insurance
 - If alimony or child support is paid or received, a copy of the divorce decree is needed
 - If bankruptcy was filed within last 7 years a copy of the bankruptcy paper is needed
 - DD 214 for all VA property
5. While your loan is being processed, you should not make major purchases, such as cars or appliances. New debts may affect financing.

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6. Make payments on time to maintain a good credit rating. Should you find it necessary to sell your home, check out your options with your Realtor or the VA. Rather than risking foreclosure, ask about, "Compromise Agreement" and/or "Refunding". These are two options available which could save you from financial ruin.

7. Owning your own home is a great accomplishment and financial obligation.

8. Visit our website at www.dpw.hood.army.mil for more information on housing services and policies.

(Original Signed)

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